

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

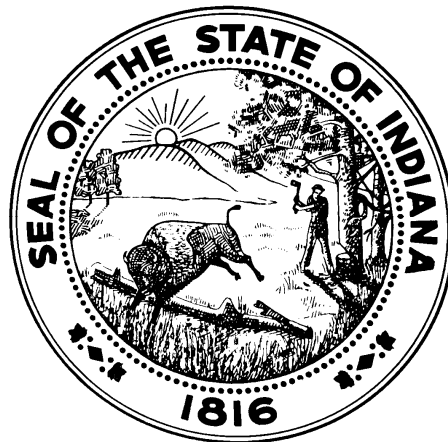
AUDIT REPORT

OF

COUNTY SHERIFF

CLARK COUNTY, INDIANA

January 1, 2006 to December 31, 2006



FILED
12/14/2007

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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Sheriff	Michael L. Becher	01-01-03 to 12-31-06
	Danny Rodden	01-01-07 to 12-31-10
President of the County Council	Jim Smith	01-01-06 to 12-31-06
	David Abbott	01-01-07 to 12-31-07
President of the Board of County Commissioners	Edward Meyer	01-01-06 to 12-31-07



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF CLARK COUNTY

We have audited the records of the County Sheriff for the period from January 1, 2006 to December 31, 2006, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Results and Comments. The financial transactions of this office are reflected in the Annual Report of Clark County for the year 2006.

STATE BOARD OF ACCOUNTS

November 5, 2007

COUNTY SHERIFF
CLARK COUNTY
AUDIT RESULTS AND COMMENTS

ACCOUNTING RECORDS

The Sheriff's records are maintained on a computerized software system. Receipts are entered as a total which agrees with the bank deposits and not separately identified by the receipt category (accident reports, gun permits, tax receipts, etc.). A manual subsidiary record is maintained which identifies all receipts by category, monthly disbursements and the ending balance. Reconciliation procedures are not performed between the computerized and manual records. Failure to reconcile the computerized and manual records, have caused errors to occur and go undetected. As of December 31, 2006, the computerized records include \$339.82 of unidentified receipts on deposit which have not been remitted to the County Auditor.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

REPORTS OF COLLECTION FILED DELINQUENT

The Sheriff's Department collects various fees such as firearms license fees, accident report copy fees, and other fees which are deposited into the Sheriff's bank account and remitted monthly to the County Auditor along with a Report of Collection. Reports of Collection filed with the County Auditor were not timely remitted. The required reports for 2006 were provided to the County Auditor up 243 days after the collections were received by the Sheriff's Department. As a result of delinquent filing, the Sheriff's Department held \$64,135.92 of 2006 collections not remitted until May 2007. This practice continued in 2007 where the required reports were provided to the County Auditor up to 119 days after the collections were received.

All documents and entries to records should be done in a timely manner to ensure that accurate financial information is available to allow the governmental unit to make informal management decisions and to help ensure compliance with IC 5-15-1-1 et seq, commonly referred to as the Public Records Law. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

ACCOUNTING RECORDS (Inmate Trust)

The balance of the inmate trust fund ledger exceeds the balance of the Jail Management detail (subsidiary record) listing of prisoner's balances in the amount of \$1,539 at December 31, 2006. There were no reconcilements prepared between the subsidiary record and the ledger. Failure to reconcile the ledger to the subsidiary record could cause errors to occur and remain undetected.

At all times, the manual and computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY SHERIFF
CLARK COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

JAIL COMMISSARY DISBURSEMENTS

Our review of the Jail Commissary disbursements showed the following:

1. During 2006, \$22,471 was disbursed from the Jail Commissary for gifts to employees, food and banquet expense for employees and guests, and holiday decorations for the Sheriff's office. The Board of County Commissioners has not adopted a home rule ordinance authorizing employee moral type expenditures for the Sheriff's Department or any other department of the County.

Future disbursements of this type will be certified to the prosecuting attorney.

Indiana Code 36-8-10-21(d) states: "The sheriff, or his designee, at his discretion and without appropriation by the county fiscal body, may disburse money from the fund for:

- (1) merchandise for resale to inmates through the commissary;
 - (2) expenses of operating the commissary, including, but not limited to, facilities and personnel;
 - (3) special training in law enforcement for employees of the sheriff's department;
 - (4) equipment installed in the county jail;
 - (5) equipment, including vehicles and computers, computer software, communication devices, office machinery and furnishings, cameras and photographic equipment, animals, animal training, holding and feeding equipment and supplies of attire used by an employee of the sheriff's department in the course of the employee's official duties;
 - (6) an activity provided to maintain order and discipline among the inmates of the county jail;
 - (7) an activity or program of the sheriff's department intended to reduce or prevent occurrences of criminal activity, . . .
 - (8) expense related to the establishment, operation, or maintenance of the sex offender web site under IC 36-2-13-5.5; or
 - (9) any other purpose that benefits the sheriff's department that is mutually agreed upon by the county fiscal body and the county sheriff . . ."
2. Eight payments that were tested were not adequately itemized. These payments were for the payment of credit card charges and were paid from a statement only.

Indiana Code 5-11-10-1.6(c) states: "The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;

COUNTY SHERIFF
CLARK COUNTY
AUDIT RESULTS AND COMMENTS
(Continued)

- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
 - (3) the invoice or bill is filed with the governmental entity's fiscal officer;
 - (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
 - (5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim. . . ."
3. Four payments to credit card companies for various charges were noted as not being paid timely; as a result, \$156 in late fee charges were incurred.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the governmental unit.

Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit.

Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY SHERIFF
CLARK COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 5, 2007, with Danny Rodden, Sheriff; and Connie Kitts, Bookkeeper. The officials concurred with our audit findings.